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The rise and fall of Rewald's empire

From tennis court to bankruptcy court

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Sunlin L.S. "Sunny" Wong was just stepping onto the tennis courts at the Koko Head Job Corps site in Hawaii. When this tall man walked onto the court from the other side and said he was first.

They got into an argument which ended in a doubles match and introductions all around.

The big man said he was Ronald Ray Rewald and he had just come down from the Mainland on business and expected to move to the Islands soon and would be looking for a home.

"My business was real estate," Sunny Wong recalled yesterday in testimony in bankruptcy court, "so I offered my services to him and subsequently I sold him his first home."

So began what may yet prove to be one of the most notorious business associations in the history of Hawaii.

Sunlin Wong was later to become the know-nothing president of Rewald's high-flying, kamaaina-sounding investment firm, Bishop, Baldwin, Rewald, Dillingham & Wong (henceforth BB for short). The firm has now been placed in bankruptcy proceedings after churning through an estimated \$17 million of about 400 other people's money.

Ron, Sunny indicated, has not always handled such grand amounts. In fact, when Rewald bought that first home in Hawaii in 1977, it was for \$20,000 down and Ron apparently had to strain to make monthly payments of \$850.

A year later BB was incorporated, and Wong was president and on his way to an \$8,400-a-month paycheck from BB and other Rewald enterprises.

During the last two months before the doors closed, BB took in \$2.6 million in investors' money. In the same period, BB disbursed \$2.6 million of those funds, according to the bankruptcy trustee's accountant.

There was a white brochure and some other information and soon Vivieros "wrote a check to Ron Rewald, to him personally," for \$20,000, almost her entire life savings and what she intended to use to support herself and raise her children.

And he kept his promise. In December, there it was, a check for \$30,000.

No sooner had she got it than Ron was talking to Vivieros about putting her money to work again, this time in a BB investment savings account. "Ron told us (Vivieros' mother was there, too) if we would decide to invest our money he could guarantee 20 percent interest on our principal and said this account had earned about 26 percent . . . and that he was federally insured in case anything happened."

Vivieros asked Ron how could he guarantee 20 percent when she had been told that no investment company could GUARANTEE 20 percent, and "he told me that the company does not guarantee a 20 percent return on ALL investments, but because this was a special account already opened" which had produced income for the company, the 20 percent could be guaranteed for her.

"At the time I invested, I was told I could not be told (where the money was going) until after the investment," she said. "But after the money was invested, I was told by the other people it was invested in property in Europe."

Captain Edwin Avary can tell you about Europe. Captain Avary — Stanford Air Force, Pan Am, Classic rugged good looks of the veteran pilot, white hair, gold chain bracelet, American flag on his Red Cross volunteer tunic.

Mysterious, too. "I became part of a team to try to assist the Air Force in what you might say was a sensitive personnel problem they had" and after that Avary went to work for Rewald, helping set up his "offices abroad" — Singapore, London, Paris, Sydney, S. Paulo, to name a few.